

Laurie Lambert-Gaffney
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Circuit City Stores, Inc.
9954 Mayland Drive
Richmond, VA 23233

June 26, 2008

Jeffrey R. Leopold
11504 Longview Landing Drive
Richmond, VA 23233

Re: Voluntary Resignation of Employment/Severance Agreement and Release

Dear Jeff:

This letter is a follow-up to discussions regarding your decision to resign your employment. You and the Company mutually agree that your last day of employment will be Friday, July 18, 2008.

Attached hereto is a Severance Agreement and Release for your consideration. Under this agreement, additional benefits are available to you after your separation. If you decide to agree to the Severance Agreement and Release, it should be signed after your separation of employment and received by me no later than July 21, 2008. Once received, Circuit City will sign and provide you with a fully executed copy.

If you have any questions, do not hesitate to contact me.

Very truly yours,

Laurie Lambert Gaffney
Laurie Lambert-Gaffney
Vice President, HR Operations



SEVERANCE AGREEMENT AND RELEASE OF CLAIMS

This Severance Agreement and Release of Claims ("Release") is made by and between Circuit City Stores, Inc., a Virginia corporation, and any related or affiliated companies or legal entities (collectively "Circuit City") and Jeffrey R. Leopold ("Employee").

RECITATIONS

A. Circuit City and Employee have agreed that Employee has resigned and his employment shall terminate on July 18, 2008.

B. In an attempt to assist Employee's transition into new employment, and to otherwise resolve any and all disputes that Employee may have regarding his employment with Circuit City, including the separation of employment thereof, the parties have agreed to enter into this Release, the terms and conditions of which are set forth below.

AGREEMENT AND RELEASE

For and in consideration of the mutual covenants and agreements contained herein, and other good and sufficient consideration, the receipt and sufficiency of which are hereby acknowledged, Circuit City and Employee agree as follows:

1. In exchange for the promises set forth herein, Employee, for himself, his heirs, and assigns, hereby releases Circuit City, any parent, affiliated or related companies, and its officers, stockholders, directors, employees and agents, insurers and reinsurers, and its successors, heirs, and assigns, of and from all manner of action and actions, cause and causes of action, suits, debts, sums of money, accounts, covenants, contracts, agreements, promises, damages, claims and demands of every kind or character whatsoever, whether presently known or unknown, under state, federal or local laws, which Employee now has against Circuit City, any parent, affiliated or related companies and/or its officers, stockholders, directors, employees, and/or agents and its heirs, successors and assigns. Specifically included in this Release are any claims, causes of action or demands in connection with his employment and/or the termination of the employment relationship between the parties, including, but not limited to, claims due to alleged breach of contract, libel, slander, wrongful discharge, payment (or non-payment) of wages and/or overtime, intentional infliction of emotional harm, any other tort, the Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, as amended in 1991, and/or any other federal or state law relating in any way to employment rights or benefits of Employee's employment with Circuit City. The parties recognize, however, that nothing contained in this Release shall prohibit either party from instituting legal action to enforce any of the provisions of this Release.

2. Employee understands and agrees that this Release specifically waives all rights and claims he may have under the Age Discrimination in Employment Act, 29 U.S.C. §§ 621 et seq.
3. In exchange for the promises herein, Circuit City agrees to pay Employee severance payments equal to one-hundred and eighty (180) days of his base salary totaling \$126,060.20 (gross) to be paid according to the Company's regular bi-weekly payroll practices, following the effective date of Employee's termination (July 18, 2008), until paid in full.
4. Also in exchange for the promises herein, Circuit City agrees to the benefit of three (3) months in total of outplacement services, following the Employee's termination of employment. Employee should contact Yvette Parham, HR Administration, for additional information regarding services. Outplacement services must be used within six (6) months of Employee's termination of employment or be forfeited.
5. This Agreement has been entered into with the understanding that there are no unresolved claims of any nature which Employee has against the Company. Employee acknowledges and agrees that except as specified in paragraph 3 & 4, all compensation, benefits, and other obligations due Employee by the Company, whether by contract or by law, have been paid or otherwise satisfied in full. Employee further agrees that the representations and understandings set forth in this paragraph have been relied upon by the Company and constitute consideration for the Company's execution of this Agreement.
6. This Release in no way constitutes an admission on the part of Circuit City as to any wrongdoing, breach of contract or violation of any law whatsoever in connection with its employment of Employee.
5. Employee agrees to keep confidential and not disclose any of the terms or provisions of this Release to anyone, unless such disclosure is required by law or consented to in writing by Circuit City.
6. Employee is reminded that he is still bound under the Circuit City Code of Business Conduct not to disclose to any person or entity Circuit City's confidential information learned during the course of his employment.
7. Employee agrees that he will not in any manner denigrate, disparage, or otherwise convey or cause to be conveyed an unfavorable impression of any of Circuit City's officers, directors, board members, agents, management or employees or of any of Circuit City's related or affiliated companies or legal entities.
8. If any clause or provision of this Release is illegal, invalid or unenforceable under present or future laws, then the remainder of this Release shall not be affected thereby, and in lieu of each clause or provision of this Release which is illegal,

invalid or unenforceable, there shall be added, as part of this Release, a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible and as may be legal, valid and enforceable.

9. This Release shall inure to the benefit of the successors and assigns of Circuit City and any affiliated or related companies or legal entities and their officers, stockholders, partners, directors, employees, agents, successors and their assigns.
10. A waiver by any party of a breach of any of the provisions of this Release shall not operate or be construed as a waiver of any other provision of this Release or of any subsequent breach of the same or any other provision of this Release. The understandings and representations of the parties set forth in this Release shall survive any breach of this Release and be enforceable by any non-breaching party.
11. Employee acknowledges that he has been given at least 21 days to review this Release and its terms and to reflect upon them. He further acknowledges that he has been advised in writing to consult with an attorney about the terms of this Release and he has had the opportunity to consult with an attorney in connection with his decision to enter into this Release. Employee understands these terms, is satisfied with them, and knowingly, freely and voluntarily agrees to them, without reliance on any representations by Circuit City.
12. Employee may revoke this Release within seven (7) days of signing it by notifying Circuit City in writing within seven (7) days from the date of his signature and returning all funds paid to him pursuant to this Release. Any revocation of this Release must be sent to Circuit City Stores, Inc., c/o Director & Assistant General Counsel – Labor and Employment, 9954 Mayland Drive, Deep Run (III), Richmond, Virginia 23233.
13. Employee understands and agrees that this Release becomes effective, enforceable and binding on him seven (7) days from the date of his signature below, unless he has revoked this Release prior to that time.

14. This Release shall be construed, interpreted, and enforced according to Virginia law.

By signing below, I agree to the above terms.

7/18/08
Date

Jeffrey R. Leopold
Jeffrey R. Leopold

CIRCUIT CITY STORES, INC.

Date

By: _____
Laurie Lambert-Gaffney
Vice President, HR Operations